

Kings Arms Yard VCT PLC Interim Management Statement

Introduction

I am pleased to present Kings Arms Yard VCT PLC's (the "Company") Interim Management Statement for the period from 1 January 2013 to 15 May 2013 as required by the UK Listing Authority's Disclosure and Transparency Rule 4.3.

Performance and dividends

The Company's unaudited net asset value (NAV), based on management accounts, as at 31 March 2013 was £38.6 million (31 December 2012: £37.8 million) or 18.8 pence per share (excluding treasury shares) (31 December 2012: 18.4 pence per share) after accounting for the dividend of 0.5 pence per share payable on 31 May 2013 to shareholders on the register as at 10 May 2013.

After taking account of the dividend, the Company's NAV has risen by 0.4 pence per share or 2.2 per cent. since 31 December 2012, as a result of an increase in investment valuations.

Share issues and buybacks

During the period from 1 January 2013 to 15 May 2013, the Company purchased 7,467,000 shares to be held in treasury at an average price of 16.50 pence per share.

It remains the Board's policy to buy back shares in the market, subject to the overall constraint that such purchases are in the Company's interest, including the maintenance of sufficient resources for investment in existing and new portfolio companies and the continued payment of dividends to shareholders.

It is the Board's intention over time for such buy-backs to be in the region of a 5 per cent. discount to net asset value, so far as market conditions and liquidity permit.

Portfolio

The following investments have been made during the period from 1 January 2013 to 15 May 2013:

Name	£000's	Activity
MyMeds&Me Limited (<i>new investment</i>)	366	<i>Software-as-a-Service platform for managing pharmaceutical adverse events</i>
Dragon Hydro Limited (<i>further investment</i>)	172	<i>Small scale hydropower project</i>
Oxford Immunotec Limited (<i>further investment</i>)	48	<i>Provider of diagnostic kits and lab services for the detection of latent diseases including TB</i>
Celoxica Holdings Limited (<i>further investment</i>)	100	<i>Sells and installs software to accelerate data flow and execution capacity for the financial services industry</i>

Disposals

During the period from 1 January 2013 to 15 May 2013, Hilson Moran Holdings Limited repaid £54,000 loan stock and redemption premium and Vivacta Limited made a scheduled escrow payment of £30,000.

Top ten holdings as at 31 March 2013:

Investment	Carrying value £000's	% of NAV
Elateral Holdings Limited	4,264	11.1%
Oxford Immunotec Limited	3,791	9.8%
UniServity Limited	2,054	5.3%
Cluster Seven Ltd	1,761	4.6%
Atego Group Limited	1,634	4.2%
Antenova Limited	1,288	3.3%
Alto Prodotto Wind Limited	1,277	3.3%
Hilson Moran Holdings Limited	1,193	3.1%
The Street by Street Solar Programme Limited	1,148	3.0%
Sift Limited	1,128	2.9%

In addition to these investments, as at 15 May 2013, following the receipt of £30,000 escrow proceeds, the Company held a debtor balance of £1,188,000 in respect of escrow payments due from the sale of Vivacta Limited.

A full breakdown of the Company's portfolio can be found on the Company's website at [www.albion-ventures.co.uk/Our Funds](http://www.albion-ventures.co.uk/OurFunds) choosing Kings Arms Yard VCT PLC under the 'Portfolio of investments' section.

Dividend Reinvestment Scheme

The Company continues to offer a Dividend Reinvestment Scheme to existing shareholders. Details of this Scheme can be found at [www.albion-ventures.co.uk/Our Funds/Kings Arms Yard VCT PLC](http://www.albion-ventures.co.uk/OurFunds/KingsArmsYardVCTPLC).

Material Events and Transactions

The Company will hold its Annual General Meeting on 24 May 2013 at 11 am at the City of London Club, 19 Old Broad Street, London EC2N 1DS. In addition to the normal business, the Company is proposing a new Manager's Performance Incentive Fee Arrangement as detailed in the circular to shareholders dated 17 April 2013. Copies of this circular can be found on the Company's website at [www.albion-ventures.co.uk/Our Funds](http://www.albion-ventures.co.uk/OurFunds) by choosing Kings Arms Yard VCT PLC under the section 'Financial Reports and Circulars'.

There have been no further significant events or transactions that the Board is aware of which would have a material impact on the financial position of the Company between 1 January 2013 and 15 May 2013.

Further information regarding historic and current financial performance and other useful shareholder information can be found on the Company's website under [www.albion-ventures.co.uk/Our Funds/Kings Arms Yard VCT PLC](http://www.albion-ventures.co.uk/OurFunds/KingsArmsYardVCTPLC).

Robin Field, Chairman

15 May 2013

For further information please contact:

Patrick Reeve, Albion Ventures LLP – tel: 020 7601 1850